

# BRITAIN TREASURE CHEST OF HISTORY

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### INTERNATIONAL FURNITURE SHOW

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### "BRISTOL 600" CHARTER CELEBRATIONS 1973

Bristol, January to December 1973

### BEEF SHORTHORN CATTLE SOCIETY SPRING SHOW AND SALE OF PEDIGREE BEEF SHORTHORNS

Perth, Perthshire, Scotland, 12 and 13  
February 1973

### DAILY MAIL IDEAL HOME EXHIBITION

Olympia, London, 6 to 31 March 1973

### SPRING ANTIQUES FAIR (excluding Sunday)

Old Town Hall, Chelsea, London, 13 to 24  
March 1973

### ROYAL SCOTTISH ACADEMY ANNUAL EXHIBITION

Royal Scottish Academy, Edinburgh, 14 April  
to 5 August 1973

### THE REVIEW OF THE RIVER PLATE January 1973.

We would be delighted to help you with  
plans, information, suggestions  
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abolished, and replaced by an assets tax, the headings should surely have been altered. Comparison is impossible, contrast is meaningless, the budget is provisional and its details, as for example the extent of the deficit, which largely determines the rate of inflation, a matter for cynical jests. The state of the economy itself justifies optimism. The treatment its analysis receives officially, really does not.

### SALTO GRANDE

#### Following a Worldwide Trend of Thought

The decision to go ahead with the Salto Grande hydro-electric project was of interest for a number of reasons that do not directly concern the generation of electric power. It marks the beginning of practical Argentine activity in the great rivers of the River Plate Basin, but it may also serve to convince doubting Paraguayans that Brazil is not the only country with the resources and technology to undertake such great works, nor the only one to have a market that can absorb the output. It also nudges Uruguay a little nearer to the River Plate, and a little further from Itamaraty.

A second reason is, that it is being said that when functioning to capacity, Salto Grande will save some forty million dollars worth of foreign exchange that would have been spent on importing oil to generate this quantity of electricity. It would be interesting to know how this calculation was made. All the signs are that the price of oil is going to increase very considerably during this decade, as consumption increases, fresh reserves become harder to find and more expensive to exploit, and, as the *Economist* puts it. "OPEC countries have shown that they are interested in more money per barrel, not in more production." The conclusion to be drawn from this is that the price of imported oil is going to increase very considerably, and that if more fields are not discovered and brought into production in this country, the foreign exchange drain is going to become extremely serious, and shortages will appear. A symptom of this approach to power policy is the recent decision by the British Government to reverse its aim—followed more or less consistently since the end of the war—to reduce the size of the coal industry.

The public works programme has been declining, in real terms, this year, and one of the consequences is that SEGBA has failed to find the funds for making the necessary connexions between Chocón transmission lines and the Greater Buenos Aires distribution network. This would appear to indicate an extraordinary lack of co-ordination between the Government departments and dependencies concerned, at a time when Buenos Aires electricity generation facilities are stretched to the limit, and when there is no firm news of when atomic power from Atucha will be available. The Salto Grande decision thus comes at an interesting moment in power policy decisions, both in Argentina and in the world at large. It looks, with the benefit of hindsight, as if it might have been more practical to build Salto Grande before undertaking the Chocón. It also becomes all the more

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obvious that oil and gas will have a huge role to play in power generation, at least for the rest of this century, and that the price of both will increase. Argentina is going to need all the capital she can import to keep her oilfields abreast of demand, and, if her normal industrial development is not to be seriously impeded, foreign firms will have to be permitted to assist in the effort. It should be obvious that, with oil prices rising throughout the world, debt service and profit remittances on funds employed here will become increasingly less onerous, compared with the cost of importing oil.

## COMMERCIAL FAILURES

### The Situation is Improving

The total sum of commercial failures and bankruptcies is usually considered to be one of the most reliable guides to the state of the economy. According to the *Cronista Comercial*, the amount for 1972 was 800.5 million new pesos, 15 per cent more than in 1971, but 31 per cent less than in 1970. Such comparisons certainly convey some information, but a better idea of what has been going on can be gathered from long term comparisons drawn up in pesos of constant value. In the following table all sums are expressed in 1960 pesos deflated or inflated by the cost of living index.

Measured in pesos of similar purchasing power, failures in 1972 were 27 per cent lower than in 1971, and about 66 per cent lower than in 1970, since they achieved a return to the 1960-64 and 1965-69 average rate.

### TOTAL LIABILITIES IN BANKRUPTCY (Millions of 1960 pesos)

Period	Annual Average	Largest	Smallest
1930-34	10,589	15,260	5,787
1935-39	3,050	4,060	2,697
1940-44	2,153	3,509	1,463
1945-49	1,065	1,738	675
1950-54	2,342	3,904	435
1955-59	2,207	3,398	1,050
1960-64	5,231	8,947	1,845
1965-69	5,659	7,985	3,620
1965	16,743	—	—
1971	7,529	—	—
1972	5,462	—	—

Sources: *Cronista Comercial* - National Statistics and Census Office.

These comparisons include periods when the national economy was going through some hard times, and 1970 shows the highest total for the whole period, surpassing even the disaster of 1931. The five year sub-division also contain bad years, in which the worst years show successively higher figures during each period, exceeded only in 1930-34. It can, however, be affirmed that total liabilities in real terms declined considerably during 1972, to a level commensurate with the 1960-69 decade. They are still on the high side, as comparison with previous years shows, but the economy grew considerably during the sixties, and the proportion of undischarged liabilities in the total of commercial activity must have declined considerably.

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**LATIN AMERICAN AID NOTES****Inter-American Development Bank: 80 Million Dollars for Salto Grande**

The Inter-American Bank authorised on December 21, an 80 million dollar loan to help finance the construction of a 1,620,000-kilowatt hydro-electric power plant being built jointly by Argentina and Uruguay at Salto Grande on the Uruguay River.

The loan—the largest single loan made by the Bank since it began operations in 1960—will provide power for a 110,000 square-mile market area in Northeast Argentina and Uruguay with a total population of 5.2 million, some 2.9 million in Uruguay and 2.3 million in Argentina.

The area embraces virtually all of the more than 72,000 square miles in Uruguay, which has an integrated electric power grid and much of the so-called littoral region of Argentina. The region in Argentina which will be benefited by the loan includes the northern departments of Buenos Aires Province, the southern and central parts of Santa Fe Province and all of the Province of Entre Ríos.

The borrower is the Comisión Técnica Mixta de Salto Grande (CTM), an international public authority established jointly by Argentina and Uruguay with headquarters in Buenos Aires, which is responsible for all matters related to the utilisation, impoundment and diversion of the waters of the Uruguay River.

The CTM will utilise the proceeds of the Bank loan to help construct the first stage of the hydro-electric plant on the Uruguay River at Salto Grande, located approximately 210 miles north of Buenos Aires. The total cost of the first stage of the programme is estimated at 432 million dollars of which the Bank loan will cover 18.5 per cent, suppliers' credits 23.6 per cent and the Governments of Argentina and Uruguay 57.9 per cent.

Specifically, this stage involves the construction of:

—A concrete impounding dam 800 metres long and 45 metres high on a rock foundation to store a volume of 4,140 million cubic metres of water.

—A hydro-electric generating plant with twelve 135,000-kilowatt generators and a total installed capacity of 1,620,000 kilowatts.

—A surface spillway 340 metres in length with a peak discharge capacity of 70,000 cubic metres per second, situated between the hydro-electric plant and the Uruguayan bank.

—Two lateral earth and rock dams 1,000 metres in length on the Argentine side and 900 metres in length on the Uruguayan side, with provision for the construction of an international highway on the crown.

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—A navigation lock upstream from the dam on the Argentine side of the river for vessels with a nine-foot draught.

The second stage of the programme to be executed later at an estimated total cost of 158.6 million dollars, calls for the construction of approximately 415 miles of 500-kilovolt transmission lines to supply electric power to the power-load centres in Argentina and some 600 miles of 400-kilovolt lines to the supply centre in Uruguay, as well as intermediate substations at San Javier in Argentina and at Colonia Elías and Palmar in Uruguay.

The 1,620,000-kilowatt production capacity of the hydro-electric complex will supply approximately 66 per cent of the increased public power capacity, estimated at 2,398,000 kilowatts, required to satisfy rising demand in the region up to 1985. The remaining 34 per cent will be covered by the construction of thermal units.

In addition it will produce a saving in foreign exchange estimated at 40 million dollars per year by eliminating the fuel oil imports needed to operate a similar capacity of thermo projects of the same capacity.

In linking the electric transmission and highway systems of the two republics, the bi-national programme will advance the integration of the Argentine and Uruguayan economies and provide experience for similar projects in other Latin American countries.

This loan was extended from the Bank's ordinary capital resources for a term of 20 years at an interest rate of 8 per cent per annum, including the one per cent commission allocated to the Bank's special reserve. The loan will be repaid in 28 half-yearly installments, the first of which will be due 6½ years after the date of the loan contract. Principal and interest payments will be made proportionately in the currencies disbursed. The loan will be guaranteed by both countries.

A-530, 100 J 72, UNCL, indicates turbines designed for a fall of 25.7 m.

**LATEST ARGENTINE GRAIN QUOTATIONS****BUENOS AIRES GRAIN FUTURES MARKET**

Basis: On waggon port of Buenos Aires

Closing Prices (Buyers) per 100 kilogrammes

Pesos Ley 18,188 - New Argentine Monetary System

Commodities	Dec. 28	Jan. 2	Jan. 3	Jan. 4	Jan. 5
<b>WHEAT</b>					
February ....	54.45	53.30	52.39	52.29	53.10
March .....	57.45	—	54.49	54.50	55.99
April .....	59.49	—	57.—	57.55	58.49
May .....	—	—	—	—	59.80
<b>MAIZE</b>					
February ....	—	49.—	49.50	51.—	51.20
March .....	50.—	49.19	47.57	48.65	49.69
April .....	50.—	49.34	47.85	49.09	49.80
May .....	51.—	50.59	48.99	50.32	50.90
<b>LINSEED</b>					
February ....	108.50	107.40	—	100.50	102.—
March .....	111.50	113.50	106.50	105.—	106.—
April .....	—	107.—	111.—	108.—	—
May .....	—	121.—	114.—	110.50	—
<b>SUNFLOWER</b>					
February ....	106.95	106.—	103.99	104.99	104.90
March .....	108.49	107.80	105.—	107.95	107.—
April .....	108.40	107.80	105.95	107.99	106.80
May .....	111.—	110.99	109.—	112.49	111.90